



A G E N D A



CITY OF IMPERIAL BEACH IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY

FEBRUARY 6, 2013

Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932

SPECIAL CLOSED SESSION MEETING – 5:00 P.M.
SPECIAL MEETING – 6:00 P.M.

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act (ADA). If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office at (619) 423-8301, as far in advance of the meeting as possible.

SPECIAL CLOSED SESSION MEETING CALL TO ORDER

ROLL CALL BY CITY CLERK

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

(Paragraph (1) of Subdivision (d) of Govt. Code Section 54956.9)

Name of Case: The Affordable Housing Coalition of the County of San Diego v. Tracy Sandoval

Case No. 34-2012-80001158-CU-WM-GDS

2. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Initiation of Litigation pursuant to Paragraph (4) of Subdivision (d) of GC Section 54956.9

No. of Potential Cases: 1

RECONVENE AND ANNOUNCE ACTION (IF APPROPRIATE)

SPECIAL MEETING CALL TO ORDER

ROLL CALL BY CITY CLERK

AGENDA CHANGES

MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/ REPORTS ON ASSIGNMENTS AND COMMITTEES

COMMUNICATIONS FROM CITY STAFF

PUBLIC COMMENT - *Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.*

Any writings or documents provided to a majority of the I.B. Redevelopment Agency Successor Agency regarding any item on this agenda will be made available for public inspection in the office of the City Clerk located at 825 Imperial Beach Blvd., Imperial Beach, CA 91932 during normal business hours.

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (1-3)

1. **ADOPTION OF RESOLUTION NO. SA-13-21 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 AND RELATED ACTIONS. (0418-50)**
Executive Director's Recommendation: Adopt resolution.
2. **ADOPTION OF RESOLUTION NO. SA-13-20 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 (ROPS 13-14A). (0418-50)**
Executive Director's Recommendation: Adopt resolution.
3. **ADOPTION OF RESOLUTION NO. SA-13-22 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN PREPARED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5. (0418-50)**
Executive Director's Recommendation: Adopt resolution.

ADJOURNMENT

The Imperial Beach City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

FOR YOUR CONVENIENCE, A COPY OF THE AGENDA AND COUNCIL MEETING PACKET MAY BE VIEWED IN THE OFFICE OF THE CITY CLERK AT CITY HALL OR ON OUR WEBSITE AT www.cityofib.com.

/s/
Jacqueline M. Hald, MMC
City Clerk



**STAFF REPORT
CITY OF IMPERIAL BEACH
REDEVELOPMENT AGENCY
SUCCESSOR AGENCY**

TO: CHAIR AND MEMBERS OF THE SUCCESSOR AGENCY

FROM: GARY BROWN, CITY MANAGER/EXECUTIVE DIRECTOR *GB*

MEETING DATE: FEBRUARY 6, 2013

ORIGINATING DEPT.: SUCCESSOR AGENCY STAFF
GREG WADE, DEPUTY DIRECTOR *GW*

SUBJECT: ADOPTION OF RESOLUTION NO. SA-13-21 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 AND RELATED ACTIONS

BACKGROUND:

On June 28, 2011, Assembly Bill No. X1 26 ("AB 26") was signed into law by the Governor of California which called for the dissolution of redevelopment agencies throughout the state and established the procedures by which this was to be accomplished. On December 29, 2011, AB 26 was largely upheld by the California State Supreme Court with some of the dates by which certain dissolution actions were to occur pushed back by four months. As a result of the Supreme Court's decision, and on February 1, 2012, all California redevelopment agencies were dissolved, successor agencies to the former redevelopment agencies were established and were tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the affairs of the former redevelopment agencies.

As part of the wind-down process enacted by AB 26, the City Council adopted Resolution No. 2012-7136 on January 5, 2012, electing for the City to serve as the successor agency to the Redevelopment Agency ("Successor Agency") upon the dissolution of the Redevelopment Agency under AB 26.

On June 27, 2012, the State Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012) as a trailer bill for the Fiscal Year 2012-2013 State budget package. Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 also imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind-down process of former redevelopment agencies.

DISCUSSION:

Pursuant to Section 34177(j) of AB 26, as amended by AB 1484, the Successor Agency is required to prepare an administrative budget for each six-month fiscal period and submit the administrative budget to the Oversight Board for approval. The administrative budget shall include all of the following: (i) estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for Successor Agency administrative costs; and (iii) proposals for arrangements for administrative and operations services provided by the City or other entity. Section 34177(k) of AB 26 as amended by AB 1484 requires the Successor Agency to provide to the San Diego County Auditor-Controller for each six-month fiscal period the administrative cost estimates from its approved administrative budget that are to be paid from property tax revenues (i.e. former tax increment revenues) deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency.

Pursuant to AB 26 as amended by AB 1484, an "Administrative Cost Allowance" is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the total amount of property tax allocated to the Successor Agency's Redevelopment Obligation Retirement Fund to pay for enforceable obligations for each fiscal year, subject to a minimum amount of \$250,000 unless the Oversight Board reduces this amount.

Successor Agency staff is now seeking the Successor Agency's approval of the administrative budget for the period of July 1, 2013 through December 31, 2013 ("Administrative Budget"), in the form attached to Resolution Number SA-13-21 as Exhibit "A", and the Successor Agency's authorization to submit the approved Administrative Budget to the Oversight Board for its consideration at their meeting on February 13, 2013, and to forward the information required by Section 34177(k) to the San Diego County Auditor-Controller

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

As noted above, the Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the total amount of property tax allocated to the Successor Agency's Redevelopment Obligation Retirement Fund to pay for enforceable obligations for each fiscal year, or a minimum of \$250,000 unless the Oversight Board reduces this amount. The DOF has steadfastly maintained that the Successor Agency is entitled to receive no more than \$250,000 in a given fiscal year. For the six-month period of July 1, 2013 through December 31, 2013, therefore, staff has proposed an Administrative Budget totaling \$125,000 as this is half the amount of the Administrative Cost Allowance we expect to be approved by the DOF.

DEPARTMENT RECOMMENDATION:

Staff recommends that the Imperial Beach Redevelopment Agency Successor Agency adopt Resolution Number SA-13-21 approving the Administrative Budget for the period of July 1, 2013 through December 31, 2013 and other related actions.

EXECUTIVE DIRECTOR/ CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. SA-13-21

RESOLUTION NO.SA-13-21

RESOLUTION OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, the Imperial Beach Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Imperial Beach ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code ("Health and Safety Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, the City Council of the City adopted Resolution No. 2012-7136 on January 5, 2012, pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 ("Successor Agency"); and

WHEREAS, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency Successor Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, as part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012). Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies; and

WHEREAS, Health and Safety Code Section 34179 of AB 26 as amended by AB 1484 establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been appointed to the Oversight Board pursuant to Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of AB 26 as amended by AB 1484; and

WHEREAS, Health and Safety Code Section 34177(j) of AB 26 as amended by AB 1484 requires the Successor Agency to prepare an administrative budget for each six-month fiscal period and submit the administrative budget to the Oversight Board for approval. The administrative budget shall include all of the following: (i) estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for Successor Agency administrative costs; and (iii) proposals for arrangements for administrative and operations services provided by the City or other entity; and

WHEREAS, Health and Safety Code Section 34177(k) of AB 26 as amended by AB 1484 requires the Successor Agency to provide to the San Diego County Auditor-Controller ("County Auditor-Controller") for each six-month fiscal period the administrative cost estimates from its approved administrative budget that are to be paid from property tax revenues (i.e. former tax increment revenues) deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and

WHEREAS, staff of the Successor Agency seeks the Successor Agency's approval of the administrative budget for the period of July 1, 2013 through December 31, 2013 ("Administrative Budget"), in the form attached to this Resolution as Exhibit "A", and the Successor Agency's authorization to submit the approved Administrative Budget to the Oversight Board for its approval and to forward the information required by Health and Safety Code Section 34177(k) to the County Auditor-Controller; and

WHEREAS, the Administrative Budget has been prepared in accordance with Health and Safety Code Section 34177(j) of AB 26 as amended by AB 1484 and is consistent with the requirements of the Health and Safety Code and other applicable law. The proposed source of payment of the costs set forth in the Administrative Budget is property taxes from the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and

WHEREAS, as required by Health and Safety Code Section 34180(j) of AB 26 as amended by AB 1484, the Successor Agency will submit a copy of the Administrative Budget to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance at the same time that the Successor Agency submits the Administrative Budget to the Oversight Board for review and approval; and

WHEREAS, as required by Health and Safety Code Section 34179(f) of AB 26 as amended by AB 1484, all notices required by law for proposed actions of the Oversight Board will be posted on the Successor Agency's internet website or the Oversight Board's internet website; and

WHEREAS, pursuant to Health and Safety Code Section 34179(h) of AB 26 as amended by AB 1484, the Successor Agency is required to provide written notice and information about all actions taken by the Oversight Board to the Department of Finance by electronic means and in the manner of the Department of Finance's choosing; and

WHEREAS, in furtherance of Part 1.85 of AB 26 as amended by AB 1484, a copy of the Administrative Budget as it may be approved by the Oversight Board will be submitted to the County Auditor-Controller and both the State Controller's Office and the Department of Finance and will be posted on the Successor Agency's internet website; and

WHEREAS, pursuant to Health and Safety Code Section 34183(a)(2) of AB 26 as amended by AB 1484, the County is required to make a payment of property tax revenues (i.e. former tax increment funds) to the Successor Agency on June 1, 2013 for payments to be made

toward recognized obligations listed on the ROPS 13-14A and for the administrative cost estimates from its approved Administrative Budget; and

WHEREAS, the activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, the activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Imperial Beach Redevelopment Agency Successor Agency, as follows:

- Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any constitutional, legal or equitable rights that the Successor Agency may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of AB 26 or AB 1484, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of AB 26 or AB 1484, and any and all related legal and factual issue, and the Successor Agency expressly reserves any and all rights, privileges, and defenses available under law and equity.
- Section 3.** The Successor Agency hereby approves and adopts the Administrative Budget for the period covering July 1, 2013 through December 31, 2013, substantially in the form attached to this Resolution as Exhibit "A".
- Section 4.** The Executive Director, or designee, is hereby authorized and directed to: (i) submit the approved Administrative Budget to the Oversight Board for its review and approval and concurrently submit a copy of the Administrative Budget to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance; (ii) submit the Administrative Budget, as approved by the Oversight Board, and written notice of the Oversight Board's approval of the Administrative Budget, to the Department of Finance (electronically) pursuant to Health and Safety Code Section 34179(h) of AB 26 as amended by AB 1484; (iii) submit a copy of the Administrative Budget, as approved by the Oversight Board, to the County Auditor-Controller and the State Controller's Office; (iv) post the Administrative Budget, as approved by the Oversight Board, on the Successor Agency's internet website; (v) upon approval of the Oversight Board, submit to the County Auditor-Controller the administrative cost estimates from the Administrative Budget that are to be paid from property tax revenues deposited in the County's Redevelopment Property Tax Trust

Fund established for the Successor Agency; and (vi) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Successor Agency.

Section 5. The Successor Agency determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

Section 6. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 6. This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED, AND ADOPTED by the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 6th day of February 2013, by the following vote:

AYES:	BOARD MEMBERS: BILBRAY, KING, BRAGG, SPRIGGS, JANNEY
NOES:	BOARD MEMBERS: NONE
ABSENT:	BOARD MEMBERS: NONE

/s/
JAMES C. JANNEY
CHAIRPERSON

ATTEST:

/s/
JACQUELINE M. HALD, MMC
SECRETARY

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY
ADMINISTRATIVE BUDGET
FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013**

TO BE PROVIDED AT OR PRIOR TO THE IBSA MEETING



**STAFF REPORT
CITY OF IMPERIAL BEACH
REDEVELOPMENT AGENCY
SUCCESSOR AGENCY**

TO: CHAIR AND MEMBERS OF THE SUCCESSOR AGENCY

FROM: GARY BROWN, CITY MANAGER/EXECUTIVE DIRECTOR *GB*

MEETING DATE: FEBRUARY 6, 2013

ORIGINATING DEPT.: SUCCESSOR AGENCY STAFF
GREG WADE, DEPUTY DIRECTOR *GW*

SUBJECT: ADOPTION OF RESOLUTION NO. SA-13-20 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 (ROPS 13-14A)

BACKGROUND:

On June 28, 2011, Assembly Bill X1 26 ("AB 26") was signed into law by the Governor of California which called for the dissolution of redevelopment agencies throughout the state and established the procedures by which this was to be accomplished. On December 29, 2011, AB 26 was largely upheld by the California State Supreme Court with some of the dates by which certain dissolution actions were to occur pushed back by four months. As a result of the Supreme Court's decision, and on February 1, 2012, all California redevelopment agencies were dissolved, successor agencies were established as successor agencies to the former redevelopment agencies, and successor agencies are tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the affairs of the former redevelopment agencies.

Pursuant to Health and Safety Code ("HSC") Section 34177 of AB 26, the Imperial Beach Redevelopment Agency Successor Agency ("Successor Agency") prepared a draft Recognized Obligation Payment Schedule ("ROPS") by the required deadline of March 1, 2012, adopting the draft ROPS on February 15, 2012 for the period ending June 30, 2012. This ROPS, for the period of January 1, 2012 through June 30, 2012, was subsequently modified and approved by the Successor Agency's Oversight Board (the "Oversight Board") (hereinafter the "First ROPS") and submitted to the State of California Controller's Office (the "SCO") and the State of California Department of Finance (the "DOF") by April 15, 2012. Additionally, the Successor Agency adopted the ROPS covering the period from July 1, 2012 through December 31, 2012 (hereinafter the "Second ROPS"), which was also approved by the Oversight Board and transmitted to the SCO and the DOF by April 15, 2012. By letter dated May 29, 2012, the DOF did not question any obligations included on the First ROPS or Second ROPS.

On August 1, 2012, the Successor Agency approved the ROPS for the period of January 1, 2013, through June 30, 2013 (hereinafter the "Third ROPS"), and on August 22, 2012, the Third

ROPS was approved by the Oversight Board and duly transmitted to the DOF, the SCO and the San Diego County Auditor-Controller (the "County A-C") that day.

On October 1, 2012, Successor Agency staff received a copy of a letter from the County A-C to the DOF sent pursuant to HSC Section 34182.5 which allowed for the County's review of the Successor Agency's submitted Third ROPS. On October 6, 2012, Successor Agency staff received a letter from the DOF commenting on and questioning items included in our Third ROPS. Included in the DOF's letter was a statement that the January 2, 2013 distribution of Redevelopment Property Tax Trust Fund (RPTTF), which will fund the Successor Agency's Third ROPS obligations may be "adjusted" by the County A-C pursuant to comments made in its letter dated October 1, 2012. At the Oversight Board meeting on October 11, 2012, the Oversight Board took actions pursuant to HSC Section 34182.5 officially disputing the findings of the County A-C as outlined in its letter. Further, pursuant to HSC Section 34177(m), on October 12, 2012, Successor Agency staff submitted a request to the DOF to Meet and Confer with them over items questioned by the DOF and the County A-C in their letters dated October 6, 2012, and October 1, 2012, respectively.

On November 16, 2012, Successor Agency staff met with DOF staff in Sacramento to Meet and Confer over items on the Third ROPS disputed by the DOF and County A-C. Based upon that Meet and Confer, the DOF sent a letter to the Successor Agency staff dated December 18, 2012, that revised several of their findings and, most importantly, directed the County A-C to not make any adjustments to the Successor Agency's share of RPTTF distribution on January 2, 2013 as proposed in the County A-C's October 1, 2012 letter. As such, of the \$5,774,108 of RPTTF requested by the Successor Agency for the Third ROPS period, the DOF increased the "adjusted amount" proposed by the County A-C from \$244,780 up to \$3,541,913. Additionally, the DOF determined that the Successor Agency did not receive enough RPTTF during the ROPS II period for DOF-approved enforceable obligations and, therefore, indicated that the Successor Agency may request additional RPTTF to pay for DOF-approved ROPS II obligations that went unfunded because of insufficient RPTTF distributed to the Successor Agency.

DISCUSSION:

On June 27, 2012, the State Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012) as a trailer bill for the Fiscal Year 2012-2013 State budget package. Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 also imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind-down process of former redevelopment agencies.

Pursuant to Section 34177(m) of AB 26 as amended by AB 1484, the Successor Agency is required to submit the ROPS for the period of July 1, 2013 through December 31, 2013 (hereinafter the "ROPS 13-14A"), to the DOF and the County A-C no fewer than ninety (90) days before the date of property tax distribution on June 1, 2013 (i.e. March 1, 2013). Staff has prepared the ROPS 13-14A covering the period from July 1, 2013 through December 31, 2013 and it is attached to this staff report as Exhibit "A" to Resolution Number SA-13-20. If adopted by the Successor Agency, the ROPS 13-14A will then be submitted to the Oversight Board for review and approval in accordance with AB 26 as amended by AB 1484. Section 34177(l)(2)(B) of AB 26 as amended by AB 1484 requires the Successor Agency to submit a copy of the ROPS 13-14A to the County Administrative Officer, the County A-C, and the DOF at the same time that the Successor Agency submits the ROPS 13-14A to the Oversight Board for approval. Again, this must be done by March 1, 2013.

Based upon determinations made by the DOF as a result of our Meet and Confer as outlined in the DOF's letter dated December 18, 2012, the ROPS 13-14A includes requests for bond debt reserves of both the 2003 and 2010 tax allocation bonds. In addition, the ROPS 13-14A includes a request for half the amount of annual \$250,000 administrative cost allowance to fund administrative costs of the Successor Agency consistent with the proposed Administrative Budget.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

Approval of the obligations and their funding from RPTTF will allow the Successor Agency to pay for those obligations. To the extent that any obligations and their funding from RPTTF are not approved by the DOF, this may have an impact on the General Fund if such obligations must be paid pending a Meet and Confer with the DOF.

DEPARTMENT RECOMMENDATION:

Staff recommends that the Imperial Beach Redevelopment Agency Successor Agency adopt Resolution Number SA-13-20 approving the Recognized Obligation Payment Schedule for the period of July 1, 2013 through December 30, 2013 (referred to as ROPS 13-14A).

EXECUTIVE DIRECTOR/CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. SA-13-20

RESOLUTION NO.SA-13-20

A RESOLUTION OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, the Imperial Beach Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Imperial Beach ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, the City Council has adopted redevelopment plans for Imperial Beach's redevelopment project areas, and from time to time, the City Council has amended such redevelopment plans; and

WHEREAS, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, Assembly Bill X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code ("Health and Safety Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, the City Council of the City adopted Resolution No. 2012-7136 on January 5, 2012, pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 ("Successor Agency"); and

WHEREAS, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency Successor Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, as part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012). Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies; and

WHEREAS, Health and Safety Code Section 34179 of AB 26 as amended by AB 1484 establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the "oversight board." The oversight board has been established for the

Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been appointed to the Oversight Board pursuant to Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of AB 26 as amended by AB 1484; and

WHEREAS, pursuant to Health and Safety Code Section 34171(m), a "Recognized Obligation Payment Schedule" ("ROPS") means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period as provided in Section 34177(m) of the Health and Safety Code. Therefore, the amounts listed on a ROPS are solely estimates of minimum payment amounts required of the Successor Agency for enforceable obligations for the upcoming six month period; and

WHEREAS, pursuant to Health and Safety Code Section 34177 of AB 26, the Successor Agency (i) prepared its draft ROPS by March 1, 2012, (ii) adopted the draft ROPS on February 15, 2012 for the period ending June 30, 2012, as modified administratively by the Executive Director, (iii) submitted the draft ROPS to the State of California Controller's Office and the State of California Department of Finance ("Department of Finance") by April 15, 2012 for the period of January 1, 2012 through June 30, 2012, (iv) amended the draft ROPS as the first ROPS for submission to the State Controller's Office and the Department of Finance by April 15, 2012 and revised the ROPS to reflect the time period of January 1, 2012 through June 30, 2012 (the "First ROPS"), and (v) adopted the second ROPS covering the period from July 1, 2012 through December 31, 2012 (the "Second ROPS"); and

WHEREAS, in accordance with Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) of AB 26, on April 11, 2012, the Oversight Board approved the First ROPS pursuant to Resolution No. OB-12-03 as proposed by the Successor Agency, and on April 11, 2012, the Oversight Board approved the Second ROPS pursuant to Resolution OB-12-04 as proposed by the Successor Agency. In accordance with AB 26, the Successor Agency submitted the Oversight Board-approved First ROPS and Second ROPS to the Department of Finance, the County Auditor-Controller, and the State Controller's Office by the statutory deadlines. The Department of Finance did not question or object to any obligations set forth in the First ROPS and the Second ROPS and, therefore the First ROPS and the Second ROPS were approved and deemed effective; and

WHEREAS, pursuant to Health and Safety Code Section 34177 of AB 26 as amended by AB 1484, the Successor Agency adopted the third ROPS covering the period from January 1, 2013 through June 30, 2013 (the "Third ROPS"); and

WHEREAS, in accordance with Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) of AB 26 as amended by AB 1484, on August 22, 2012, the Oversight Board approved the Third ROPS pursuant to Resolution OB-12-09 as proposed by the Successor Agency. In accordance with AB 26 as amended by AB 1484, the Successor Agency submitted the Oversight Board-approved Third ROPS to the Department of Finance, the County Auditor-Controller, the County Administrative Officer and the State Controller's Office by the statutory deadlines. The Department of Finance approved the Third ROPS with certain modifications; and

WHEREAS, pursuant to Health and Safety Code Section 34177(m) of AB 26 as amended by AB 1484, the Successor Agency is required to submit the ROPS for the period of July 1, 2013 through December 31, 2013, after its approval by the Oversight Board, to the Department of Finance and the County Auditor-Controller no fewer than 90 days before the date of property tax distribution on June 1, 2013, which is no later than March 1, 2013; and

WHEREAS, the ROPS covering the period from July 1, 2013 through December 31, 2013 (the "ROPS 13-14A"), is attached to this Resolution as Exhibit "A", and is presented to the Successor Agency for review and approval; and

WHEREAS, if adopted by the Successor Agency, the ROPS 13-14A shall thereafter be submitted to the Oversight Board for review and approval. In this regard, Health and Safety Code Section 34177(l)(2)(B) of AB 26 as amended by AB 1484 requires the Successor Agency to submit a copy of the ROPS 13-14A to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance at the same time that the Successor Agency submits the ROPS 13-14A to the Oversight Board for approval; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(C) of AB 26 as amended by AB 1484, a copy of the Oversight Board-approved ROPS 13-14A shall be submitted to the County Auditor-Controller and both the State Controller's Office and the Department of Finance and shall be posted on the Successor Agency's internet website; and

WHEREAS, pursuant to Health and Safety Code Section 34177(m)(1) of AB 26 as amended by AB 1484, the Successor Agency shall submit a copy of the Oversight Board-approved ROPS 13-14A to the Department of Finance electronically and the Successor Agency shall complete the ROPS 13-14A in the manner provided by the Department of Finance; and

WHEREAS, pursuant to Health and Safety Code Section 34183(a)(2) of AB 26 as amended by AB 1484, the County is required to make a payment of property tax revenues (i.e. former tax increment funds) to the Successor Agency on June 1, 2013 for payments to be made toward recognized obligations listed on the ROPS 13-14A; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of AB 26 as amended by AB 1484, the ROPS 13-14A shall be forward looking to the next six (6) months; and

WHEREAS, according to Health and Safety Code Section 34177(l)(1) of AB 26 as amended by AB 1484, for each recognized obligation, the ROPS 13-14A shall identify one or more of the following sources of payment: (i) Low and Moderate Income Housing Funds, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance, (v) the Redevelopment Property Tax Trust Fund but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provisions of Part 1.85 of AB 26 as amended by AB 1484, and (vi) other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former Redevelopment Agency as approved by the Oversight Board in accordance with Part 1.85 of AB 26 as amended by AB 1484; and

WHEREAS, it is the intent of AB 26 as amended by AB 1484 that the ROPS serve as the designated reporting mechanism for disclosing the Successor Agency's minimum bi-annual payment obligations by amount and source and that the County Auditor-Controller will be responsible for ensuring that the Successor Agency receives revenues sufficient to meet the requirements of the ROPS during each bi-annual period; and

WHEREAS, the proposed ROPS 13-14A attached to this Resolution as Exhibit "A" is consistent with the requirements of the Health and Safety Code and other applicable law; and

WHEREAS, the ROPS 13-14A contains the schedules for payments on enforceable obligations required for the applicable six-month period and sources of funds for repayment as required pursuant to Health and Safety Code Section 34177(l); and

WHEREAS, pursuant to Health and Safety Code Section 34177(m), the ROPS 13-14A as approved by the Oversight Board shall be submitted to the Department of Finance and the County Auditor-Controller by March 1, 2013. Section 34177(m) further provides that the Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of enforceable obligations no later than forty-five (45) days after the ROPS is submitted and that the Successor Agency may, within five (5) business days of the Department of Finance's determination, request an additional review by the Department of Finance and an opportunity to meet and confer on disputed items. In the event of a meet and confer and request for additional review, the meet and confer period may vary but the Department of Finance shall notify the Successor Agency and the County Auditor-Controller as to the outcome of its review at least fifteen (15) days before the date of property tax distribution on June 1, 2013; and

WHEREAS, this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Imperial Beach Redevelopment Agency Successor Agency, as follows:

- Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any constitutional, legal or equitable rights that the Successor Agency may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of AB 26 or AB 1484, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of AB 26 or AB 1484, and any and all related legal and factual issue, and the Successor Agency expressly reserves any and all rights, privileges, and defenses available under law and equity.
- Section 3.** The Successor Agency hereby approves and adopts the ROPS 13-14A, in substantially the form attached to this Resolution as Exhibit "A".
- Section 4.** The Executive Director, or designee, of the Successor Agency is hereby authorized and directed to: (i) provide the ROPS 13-14A to the Oversight Board for review and approval and concurrently submit a copy of the ROPS 13-14A to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance; (ii) submit the ROPS 13-14A, as approved by the Oversight Board, to the Department of Finance (electronically) and the County Auditor-Controller no later than March 1, 2013; (iii) submit a copy of the ROPS 13-14A, as approved by the Oversight Board, to the State Controller's Office and post the ROPS 13-

14A on the Successor Agency's internet website; (iv) revise the ROPS 13-14A, and make such changes and amendments as necessary, before official submittal of the ROPS 13-14A to the Department of Finance, in order to complete the ROPS 13-14A in the manner provided by the Department of Finance and to conform the ROPS 13-14A to the form or format as prescribed by the Department of Finance; (v) make other non-substantive changes and amendments to the ROPS13-14A as may be approved by the Executive Director of the Successor Agency and its legal counsel; and (vi) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Successor Agency.

Section 5. The Successor Agency determines that this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

Section 6. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 7. This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED, AND ADOPTED by the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 6th day of February 2013, by the following vote:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:

JAMES C. JANNEY
CHAIRPERSON

ATTEST:

JACQUELINE M. HALD, MMC
SECRETARY

EXHIBIT "A"

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
July 1, 2013 through December 31, 2013
("ROPS 13-14A")**

Approved and Adopted on February 6, 2013

TO BE PROVIDED AT OR PRIOR TO THE IBSA MEETING



**STAFF REPORT
CITY OF IMPERIAL BEACH
REDEVELOPMENT AGENCY
SUCCESSOR AGENCY**

TO: CHAIR AND MEMBERS OF THE SUCCESSOR AGENCY

FROM: GARY BROWN, CITY MANAGER/EXECUTIVE DIRECTOR *MB*

MEETING DATE: FEBRUARY 6, 2013

ORIGINATING DEPT.: SUCCESSOR AGENCY STAFF
GREG WADE, DEPUTY DIRECTOR *GW*

SUBJECT: ADOPTION OF RESOLUTION NO. SA-13-22 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN PREPARED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

BACKGROUND:

On June 28, 2011, Assembly Bill No. X1 26 ("AB 26") was signed into law by the Governor of California which called for the dissolution of redevelopment agencies throughout the state and established the procedures by which this was to be accomplished. On December 29, 2011, AB 26 was largely upheld by the California State Supreme Court with some of the dates by which certain dissolution actions were to occur pushed back by four months. As a result of the Supreme Court's decision, and on February 1, 2012, all California redevelopment agencies were dissolved, successor agencies were established as successor agencies to the former redevelopment agencies, and successor agencies are tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the affairs of the former redevelopment agencies.

On June 27, 2012, the State Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012) as a trailer bill for the Fiscal Year 2012-2013 State budget package. Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 also imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind-down process of former redevelopment agencies, including the preparation of a Long-Range Property Management Plan.

DISCUSSION:

Pursuant to Section 34191.5(b) of AB 26 as amended by AB 1484 (collectively the "Dissolution Act"), once the California Department of Finance ("DOF") issues a Finding of Completion to the Successor Agency pursuant to Section 34179.7 of the Dissolution Act, the Successor Agency shall prepare a Long-Range Property Management Plan ("Plan") that addresses the disposition and use of certain real properties of the former Imperial Beach Redevelopment Agency

("Former RDA"). The Plan shall be submitted to the Oversight Board and the DOF for approval no later than 6 months following the issuance of the Finding of Completion to the Successor Agency.

Pursuant to Section 34191.5(a) of the Dissolution Act, upon the issuance of the Finding of Completion to the Successor Agency, a Community Redevelopment Property Trust Fund ("Trust") will be established to serve as the repository of the Former RDA's real properties identified in the Due Diligence Reviews ("DDR's") by Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR's.). The Trust shall be administered by the Successor Agency.

Pursuant to Section 34191.4(a) of the Dissolution Act, upon the approval of the Plan by the DOF, all real property and interests in real property identified in the Due Diligence Reviews ("DDR's") by Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR's.) shall be transferred to the Trust, unless such a property is subject to the requirements of any existing enforceable obligation.

Although the Dissolution Act requires that the Plan be submitted to the Oversight Board and the DOF for approval no later than 6 months following the issuance of the Finding of Completion to the Successor Agency, which the Successor Agency has yet to receive as of this date, staff is processing the Plan for approval earlier than statutorily required in order to expedite, to whatever extent possible, the DOF's review and approval of the Plan, in an effort to move the development forward in connection with two real properties identified in the proposed Plan.

Section 34191.5(c) of the Dissolution Act requires specific information to be included in the Plan.

Specifically, the Plan shall include an inventory of all properties in the Trust and the inventory shall consist of all of the following information for each property:

- 1) The date of the acquisition of the property and the value of the property at that time and an estimate of the current value of the property
- 2) The purpose for which the property was acquired
- 3) Parcel data, including address, lot size, and current zoning in the Former RDA's redevelopment plan or specific, community or general plan
- 4) An estimate of the current value of the parcel including, if available, any appraisal information
- 5) An estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds
- 6) The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts
- 7) A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the Successor Agency
- 8) A brief history of the previous development proposals and activity, including the rental or lease of the property

Further, the Plan must address the use or disposition of all of the properties in the Trust. Permissible uses include the retention of the property for governmental use pursuant to Section 34181(a) of the Dissolution Act, the retention of the property for future development, the sale of the property, or the use of the property to fulfill an enforceable obligation. The Plan shall

separately identify and list properties in the Trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all of the following shall apply:

- 1) If the Plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the City
- 2) If the Plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in (1) above, the proceeds from the sale shall be distributed as property tax to the taxing entities
- 3) Property shall not be transferred to the Successor Agency or to the City of Imperial Beach, unless the Plan has been approved by the Oversight Board and the DOF

There are three (3) real properties ("Properties") proposed in the Plan and that were identified in the Non-Housing DDR by Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR). No real property assets were identified in the Housing DDR by Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR). These Properties are described as follows:

- 1) 741-849 Palm Avenue, City of Imperial Beach, County of San Diego, State of California
- 2) 735 Palm Avenue, City of Imperial Beach, County of San Diego, State of California
- 3) 800 Seacoast Drive, City of Imperial Beach, County of San Diego, State of California

In addition to the above Properties, the Former RDA previously held title to real property located at 776 10th Street (commonly referred to as the 10th & Donax site). This property was acquired in May 2008 by the Former RDA with Low and Moderate Income Housing Funds for the development of affordable housing pursuant to the California Community Redevelopment Law ("CRL"). After the Former RDA purchased this property, the structure existing on the property was demolished and cleared by the Former RDA to prepare the site for future development of affordable housing. Pursuant to Section 34176(e) of the Dissolution Act, this property constitutes a "housing Asset" and, therefore, title and ownership of this property was transferred to the Imperial Beach Housing Authority ("Housing Authority"), which entity serves as the Successor Housing Entity of the Former RDA pursuant to Sections 34176(b) and 34176(c) of the Dissolution Act. As required by Section 34176(a)(2) of the Dissolution Act, on July 31, 2012, the Successor Agency staff provided to the DOF for review the list of housing asset transfers ("HAT List") that identified Former RDA assets that were transferred to the Housing Authority serving as the Successor Housing Entity for affordable housing purposes consistent with the ("CRL"). The HAT List included, among other "housing assets", the 10th & Donax site as property being held by the Housing Authority as the Successor Housing Entity. On August 30, 2012, the DOF issued a letter to the Successor Agency specifically stating that, except for the items to which the DOF objected (which related to Housing Bond Proceeds only), the DOF "is not objecting to the remaining items, if any, listed on your Form." Therefore, the 10th & Donax site was properly included on the HAT List and not objected to by the DOF within the statutory review period and therefore, is held by the Housing Authority for the development of affordable housing. As such, the 10th & Donax site is (i) not identified in the DDRs by Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDRs), although it is referenced in Procedure 3 of the Housing DDR as a "housing asset" pursuant to Section 34176(e)(1) of the Dissolution Act transferred to the Housing Authority, and (ii) is not included in the proposed Plan.

The other three Properties listed above, however, are specifically included and discussed in the proposed Plan, a copy of which is attached to this staff report. For these Properties, the above-listed information required by Section 34191.5(c) of the Dissolution Act is provided. Further,

pursuant to Section 34191.5(c)(2), the two Properties located on Palm Avenue are being held for the anticipated sale and development, and all three Properties are being retained for purposes of fulfilling an enforceable obligation, as more specifically described in the Plan.

ENVIRONMENTAL DETERMINATION:

The approval of this Plan is not a project as defined by the California Environmental Quality Act ("CEQA"). The projects associated with the properties identified in the Plan, along with their respective DDAs, have been reviewed and analyzed pursuant to CEQA and their required environmental documents have been prepared, circulated and approved/certified by the appropriate lead agency.

FISCAL IMPACT:

Approval of the Plan does not, in itself, obligate the Successor Agency to any additional financial obligations beyond those already considered and approved by and/or assigned to the Successor Agency as outlined in each respective DDA.

DEPARTMENT RECOMMENDATION:

Staff recommends that the Imperial Beach Redevelopment Agency Successor Agency adopt Resolution Number SA-13-22 approving the Long-Range Property Management Plan required pursuant to Section 34191.5(b) of the Dissolution Act.

EXECUTIVE DIRECTOR/CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. SA-13-22
2. Long-Range Property Management Plan

RESOLUTION NO. SA-13-22

A RESOLUTION OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN PREPARED PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34191.5

WHEREAS, the Imperial Beach Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Imperial Beach ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, the City Council has adopted redevelopment plans for Imperial Beach's redevelopment project areas, and from time to time, the City Council has amended such redevelopment plans; and

WHEREAS, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code ("Health and Safety Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, the City Council of the City adopted Resolution No. 2012-7136 on January 5, 2012, pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 ("Successor Agency"); and

WHEREAS, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency Successor Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, as part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012). Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies, including the preparation of a Long-Range Property Management Plan; and

WHEREAS, Health and Safety Code Section 34179 of AB 26 as amended by AB 1484 (collectively the "Dissolution Act") establishes a seven (7) member local entity with respect to

each successor agency and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been appointed to the Oversight Board pursuant to Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of the Dissolution Act; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(b) of the Dissolution Act, once the California Department of Finance ("DOF") issues a Finding of Completion to the Successor Agency pursuant to Health and Safety Code Section 34179.7 of the Dissolution Act, the Successor Agency shall prepare a Long-Range Property Management Plan ("Plan") that addresses the disposition and use of certain real properties of the former Redevelopment Agency. The Plan shall be submitted to the Oversight Board and the DOF for approval no later than 6 months following the issuance of the Finding of Completion to the Successor Agency; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(a) of the Dissolution Act, upon the issuance of the Finding of Completion to the Successor Agency, a Community Redevelopment Property Trust Fund ("Trust") will be established to serve as the repository of the former Redevelopment Agency's real properties identified in the Due Diligence Reviews ("DDR's") by Health and Safety Code Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR's.). The Trust shall be administered by the Successor Agency; and

WHEREAS, pursuant to Health and Safety Code Section 34191.4(a) of the Dissolution Act, upon the approval of the Plan by the DOF, all real property and interests in real property identified in the DDR's by Health and Safety Code Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR's.) shall be transferred to the Trust, unless such a property is subject to the requirements of any existing enforceable obligation; and

WHEREAS, although the Dissolution Act requires that the Plan be submitted to the Oversight Board and the DOF for approval no later than 6 months following the issuance of the Finding of Completion to the Successor Agency, which the Successor Agency has yet to receive as of February 6, 2013, staff is processing the Plan for approval earlier than statutorily required in order to expedite, to whatever extent possible, the DOF's review and approval of the Plan, in an effort to move the development forward in connection with two real properties identified in the proposed Plan; and

WHEREAS, Health and Safety Code Section 34191.5(c) of the Dissolution Act requires that the Plan (i) include an inventory of all properties in the Trust, which inventory shall consist of specific information relating to each such property including, without limitation, the date of and purpose for acquisition, value of property, applicable zoning, any property revenues and contractual requirements for disposition of same, history of environmental issues and any related studies and remediation efforts, potential for transit-oriented development and advancement of planning objectives of the Successor Agency, and history of previous development proposals and activity; and (2) address the use or disposition of all properties in the Trust, including the retention of such property for governmental use pursuant to Health and Safety Code Section 34181(a) of the Dissolution Act, the retention of such property for future development, the sale of such property, or the use of such property to fulfill an enforceable obligation; and

WHEREAS, the proposed Plan is attached as Attachment No. 2 to the Staff Report prepared for Agenda Item No. 3, and is presented to the Successor Agency for review and approval; and

WHEREAS, the proposed Plan includes three (3) real properties ("Properties") that were identified in the Non-Housing DDR by Health and Safety Code Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR). These Properties are all located in the City of Imperial Beach, County of San Diego, State of California, and described as follows: (1) 741-849 Palm Avenue; (2) 735 Palm Avenue; and (3) 800 Seacoast Drive. No real property assets were identified in the Housing DDR by Section 34179.5(c)(5)(C) of the Dissolution Act (i.e. Procedure 7 of the DDR); and

WHEREAS, for each of the Properties, the Plan includes all of the information required by Health and Safety Code Section 34191.5(c) of the Dissolution Act. Further, pursuant to Health and Safety Code Section 34191.5(c)(2), the two Properties located on Palm Avenue are being held for the anticipated sale and development, and all three Properties are being retained for purposes of fulfilling an enforceable obligation, as more specifically described in the Plan; and

WHEREAS, if the Plan is approved by the Successor Agency, the Plan shall thereafter be submitted to the Oversight Board for review and approval, pursuant to Health and Safety Code Section 34191.5(b). In this regard, Health and Safety Code Section 34180(j) of the Dissolution Act requires the Successor Agency to also submit a copy of the Plan to the San Diego County Administrative Officer, the San Diego County Auditor-Controller, and the DOF at the same time that the Successor Agency submits the Plan to the Oversight Board for approval; and

WHEREAS, pursuant to Health and Safety Code Section 34191.3 of the Dissolution Act, once the Plan is approved by the DOF pursuant to Health and Safety Code Section 34191.5(b) of the Dissolution Act, the Plan shall govern, and supersede all other provisions of the Dissolution Act relating to, the disposition and use of the Properties; and

WHEREAS, the activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, the activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines. In this regard, the projects associated with the Properties identified in the Plan, along with their respective contractual agreements, have been reviewed and analyzed pursuant to CEQA and their required environmental documents have been prepared, circulated and approved/certified by the appropriate lead agency; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Imperial Beach Redevelopment Agency Successor Agency, as follows:

Section 1. The foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any constitutional, legal or equitable rights that the Successor Agency may have to challenge, through any

administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of AB 26 or AB 1484, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of AB 26 or AB 1484, and any and all related legal and factual issue, and the Successor Agency expressly reserves any and all rights, privileges, and defenses available under law and equity.

Section 3. The Successor Agency hereby approves the Long-Range Property Management Plan ("Plan"), substantially in the form attached as Attachment No. 2 to the Staff Report prepared for Agenda Item No. 3.

Section 4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed to: (i) provide the Plan to the Oversight Board for review and approval and concurrently submit a copy of the Plan to the San Diego County Administrative Officer, the San Diego County Auditor-Controller ("County Auditor-Controller"), and the California Department of Finance ("DOF"); (ii) submit the Plan, as approved by the Oversight Board, to the DOF (electronically in PDF format) and the County Auditor-Controller; (iii) post a copy of the Plan, as approved by the Oversight Board, on the Successor Agency's internet website; (iv) revise the Plan and make such changes and amendments as necessary, before official submittal of the Plan to the DOF, in order to complete the Plan in the manner provided by the DOF and to conform the Plan to the form or format as prescribed by the DOF; (v) make non-substantive changes and amendments to the Plan deemed necessary and as approved by the Executive Director of the Successor Agency and its legal counsel; and (vi) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Successor Agency.

Section 5. The Successor Agency determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

Section 6. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 7. This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED, AND ADOPTED by the Imperial Beach Redevelopment Agency
Successor Agency at its meeting held on the 6th day of February 2013, by the following vote:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:

JAMES C. JANNEY
CHAIRPERSON

ATTEST:

JACQUELINE M. HALD, MMC
SECRETARY

ATTACHMENT 2 – LONG-RANGE PROPERTY MANAGEMENT PLAN

TO BE PROVIDED AT OR PRIOR TO THE IBSA MEETING